

**2013 DRAFTING REQUEST**

**Bill**

Received: 2/10/2014 Received By: rnelson  
Wanted: As time permits Same as LRB: -2603  
For: Gary Hebl (608) 266-7678 By/Representing: Mike M  
May Contact: Drafter: rnelson  
Subject: Courts - civil procedure Addl. Drafters:  
Extra Copies:

Submit via email: YES  
Requester's email: Rep.Hebl@legis.wisconsin.gov  
Carbon copy (CC) to:

**Pre Topic:**

No specific pre topic given

**Topic:**

Fair bargain act

**Instructions:**

See attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	rnelson 2/10/2014	kfollett 2/10/2014			lparisi 2/10/2014	mbarman 2/12/2014	

FE Sent For:

<END>

NOT  
NEEDED

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/1	rnelson	1/15f					

FE Sent For:

<END>

## Nelson, Robert

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**From:** Murray, Mike  
**Sent:** Friday, February 07, 2014 10:40 AM  
**To:** Nelson, Robert  
**Cc:** Anderson, John  
**Subject:** FW: LRB-2603 / Senator Miller / Fair Bargain - Consumer Protection Act / Deadline: Feb 7

Hi Bob,

Gary is going to be the Assembly lead on this bill. Would you mind sending our office an Assembly version of the bill?  
Thanks,

Mike

Mike Murray  
Office of Rep. Gary Hebl  
46th Assembly District

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**From:** Sen. Miller  
**Sent:** Wednesday, January 29, 2014 2:31 PM  
**To:** \*Legislative All Assembly; \*Legislative All Senate  
**Subject:** LRB-2603 / Senator Miller / Fair Bargain - Consumer Protection Act / Deadline: Feb 7

### Fair Bargain - Consumer Protection Act Co-Sponsorship Memo

#### Deadline: February 7

The language in many consumer contracts contains provisions that preclude many consumers, borrowers, tenants and employees from obtaining a fair consideration of claims against companies, financial institutions, landlord or employers.

These contracts have evolved to the point that nearly all decisions are decided in favor of the business against the consumer, the borrower, tenant or employee.

This bill will level the playing field by making certain anti-consumer provisions unenforceable.

Under the bill, a Wisconsin resident making the claim:

- 1) Cannot be forced to go to another state to make or plead their claim
- 2) Cannot be forced to forgo evidence to support in their claim
- 3) Cannot be forced to give up his or her right to appeal a decision that is not based on substantial evidence
- 4) Cannot be required to commence the claim faster than otherwise required by law
- 5) Cannot be forced to forgo the award of attorney's fees, civil penalties or punitive damages
- 6) Cannot be forced to waive his or her right to a judicial forum or jury trial

This bill does not apply to collective bargaining agreements.

If you would like to join me in protecting Wisconsin consumers, borrowers, tenants and employees, as a co-author or co-sponsor, please call my office at 6-9170. Deadline: February 7



13-2603\_1.pdf



2/10 wanted soon  
State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-2603/1 4237/  
RPN:kjf:jm  
Companion R19  
run

## 2013 BILL

Page 11

- 1 AN ACT *to create* 134.495 of the statutes; **relating to:** contract and lease
- 2 language that limits a party's access to procedural or substantive rights.

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### *Analysis by the Legislative Reference Bureau*

This bill creates limits on contracts and leases between consumers who purchase goods or services and the person who provides those goods or services. Under the bill, a provision in a contract or lease is void if that provision modifies or limits otherwise available necessary or useful procedural or substantive rights of a consumer, borrower, tenant, or employee in a court action or arbitration proceeding to enforce those rights against a party to the contract or lease.

Examples in the bill of provisions that modify or limit otherwise available necessary or useful procedural or substantive rights include provisions that require the consumer, borrower, tenant, or employee to do any of the following:

1. Assert a claim against the person who prepared the contract or lease in a forum that is not in this state.
2. Forego access to evidence otherwise obtainable under the rules of procedure of a convenient judicial forum.
3. Forego the right to appeal a decision that is not based on substantial evidence or that disregards his or her legal rights.
4. Require the commencement of a proceeding sooner than would be required by the applicable statute or limitations.
5. Forego an award of attorney fees, civil penalties, or punitive damages otherwise available by law.
6. Waive the right to access to a judicial forum or to a jury trial, unless the contract or lease includes judicial review of any arbitration agreement.

**BILL**

The bill specifies that these provisions do not apply to collective bargaining agreements or to certain contracts of employment for compensation in excess of \$100,000 per year. The bill also permits a party to a contract or lease to seek judicial review of the enforceability of one of these provisions as a preliminary matter in a court action or arbitration proceeding in which such a provision is at issue.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1       **SECTION 1.** 134.495 of the statutes is created to read:

2       **134.495 Limitations on contract and lease provisions.** (1) In this section:

3       (a) "Consumer" means a person who enters into a contract for the purchase of  
4 goods or services.

5       (b) "Rights enforcement disabling provision" is a provision in a contract or lease  
6 that modifies or limits otherwise available procedural or substantive rights in a court  
7 action or arbitration proceeding that are necessary or useful to a consumer, borrower,  
8 tenant, or employee in the enforcement of rights against a person who is a party to  
9 the contract or lease.

10       (2) A rights enforcement disabling provision in a contract or lease is void and  
11 unenforceable if the provision requires the consumer, borrower, tenant, or employee  
12 who is a party to the contract or lease to do any of the following:

13       (a) For any contract or lease entered into in this state, assert a claim against  
14 the person who prepared the contract or lease in a forum that is not in this state.

15       (b) Assume a risk of liability for the legal fees of the person who prepared the  
16 contract or lease, unless those fees are authorized by statute, reasonable in amount,  
17 and incurred to enforce a promise to pay money.

**BILL**

1 (c) Forego access to evidence otherwise obtainable under the rules of procedure  
2 of a convenient judicial forum that is available to hear and decide a dispute between  
3 the parties to the contract or lease.

4 (d) Present evidence regarding the contract or lease to a purported neutral  
5 person who may reasonably be expected to regard the person who prepared the  
6 contract or lease as more likely to be a future employer of the neutral person than  
7 is the consumer, borrower, tenant, or employee who is a party to the contract or lease.

8 (e) Forego the right to appeal a decision that is not based on substantial  
9 evidence or that disregards the legal rights of the consumer, borrower, tenant, or  
10 employee.

11 (f) Require the commencement of a proceeding regarding the contract or lease  
12 sooner than would be required by the otherwise applicable statute of limitations.

13 (g) Decline his or her right to participate in a class action.

14 (h) Forego an award of attorney fees, civil penalties, punitive damages, or of  
15 multiple damages otherwise available by law.

16 (i) Waive the right of access to a judicial forum or to a jury trial, unless the  
17 contract or lease includes an arbitration agreement that is subject to judicial review.

18 (j) Agree to any other provision in the contract or lease that modifies or limits  
19 his or her otherwise procedural or substantive rights in a court action or arbitration  
20 proceeding.

21 (3) This section does not apply to any of the following:

22 (a) A collective bargaining agreement.

23 (b) A contract of employment for compensation in excess of \$100,000 per year  
24 unless that contract includes a rights enforcement disabling provision that the  
25 parties did not specifically negotiate separately in good faith.



# BILL

1           **(4)** If the existence or enforcement of a rights enforcement disabling provision  
2       is at issue in a court or arbitration proceeding, a party to the contract or lease may  
3       seek judicial review as a preliminary matter to have the provision declared void and  
4       unenforceable.

5 (END)

**Barman, Mike**

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**From:** Murray, Mike  
**Sent:** Wednesday, February 12, 2014 10:52 AM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB -4237/1 Topic: Fair bargain act

Please Jacket LRB -4237/1 for the ASSEMBLY.